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Conservatives Warn Lawmakers Against Tax Deals

By KRISTINA PETERSON and PETER NICHOLAS

WASHINGTON—President <u>Barack Obama</u>'s wooing of congressional Republicans in the past week has spurred the party's most conservative faction into girding to keep GOP lawmakers in line.

Conservative activists and organizations have begun warning Republican legislators that if they agree to raise taxes in any broad budget deal with the president, they should expect to face challengers from the party's right wing in their next primary elections.



WSJ's Damian Paletta says military personnel are starting to worry about possible furloughs due to "sequestration" budget cuts, while President Obama is trying to establish a working relationship with Republicans on the budget.

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"My organization has gone in and launched primary challenges before," said Amy Kremer, chairman of Tea Party Express, a conservative political action committee ready to jump-start another round of challenges to Republicans who agree to raise tax revenue. "We've done it before, and we will happily do it again, if the need arises."

The influential conservative group Club for Growth has already started targeting lawmakers it deems to be wavering from its small-government, low-tax philosophy. The group recently launched a "Primary My Congressman" website featuring criticism of nine House Republicans and soliciting suggestions for more fiscally conservative replacements.

Political activists and the lawmakers they helped elect are optimistic that the infusion of fiery antitax lawmakers in recent years will keep Republicans united in opposing Democrats' push to raise revenue to reduce the deficit through changes in the tax code

The pressure from conservative activists demonstrates just how difficult it is for the two sides to reach an agreement. Mr. Obama, for his part, won't accept any deficit-reduction deal without additional tax revenue.

"In the past, I think the Republicans would have compromised with the Democrats in an antigrowth, big government direction, but for the first time, because of the members we've helped elect with our [political action committee], Congress is actually talking about how much less they'd spend," said Club for Growth spokesman Barney Keller.



Sen. Ron Johnson (R., Wis.) predicted Thursday that Republicans would struggle to reach a grand bargain with Mr. Obama on taxes, spending and entitlements, though they might find accord on more discrete pieces of legislation.

"There's a growing group in Congress which I think has moved our conference a little bit more to the fiscally

conservative side," he said.

Still, the possibility of a bipartisan deficit-reduction deal isn't as remote as it once seemed. On Thursday, Mr. Obama made his third trip in as many days to the Capitol for meetings with Senate Republicans and House Democrats.

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GOP lawmakers said after their lunch meeting with the president that while there was no clear path to a deal, the visits had established a better rapport and a willingness to see if they could bridge the still-considerable gulf between their policies.

"We understand there are differences, pretty strong differences," but want to expand on the points of agreement, Sen. Bob Corker (R., Tenn.) said after the lunch. "I would say that overwhelmingly in the room, people want to see this go forward."

Some in the Obama administration echoed that optimism Thursday, measuring progress in Mr. Obama's discussion with lawmakers.

"I think there is a broad understanding of the size of the problem; there is even a broad understanding of what an ultimate solution probably looks like," new Treasury Secretary Jacob Lew said after touring a Siemens AG manufacturing plant outside Atlanta.

But for the GOP right flank, the Obama administration's optimism merits wariness and reason to closely monitor the budget negotiations. FreedomWorks, a libertarian-leaning organization, will determine its 2014 midterm election priorities based in part on how Republicans conduct themselves in the negotiations, said its president, Matt Kibbe.

"If any of these Senate Republicans or House members get conned by the president, they are toast," predicted Herman Cain, who ran for the GOP presidential nomination in 2012, in an interview. Mr. Cain, now a radio talk-show host, said he often hears from listeners who "are sick of Republicans using the excuse they had to compromise."

For centrist Republicans up for re-election in 2014, that threat could complicate their willingness to compromise with Mr. Obama.

But for the party's most conservative elected officials, the push from the right just reinforces their resolve. "I'm fiscally conservative," said Sen. Tim Scott (R., S.C.). "I'm going to vote that way either way."

—Jeffrey Sparshott contributed to this article.

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